



General Assembly

**Substitute Bill No. 5279**

February Session, 2006

\* \_\_\_\_\_HB05279LABGAE031506\_\_\_\_\_\*

**AN ACT CONCERNING THE RETENTION OF JOBS IN CONNECTICUT  
AND THE UNITED STATES.**

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1       Section 1. (*Effective July 1, 2006*) The Governor shall review all state  
2       contracts in effect on July 1, 2006, and identify any state contracts  
3       under which services are being provided or goods are being  
4       manufactured outside Connecticut or outside the United States. Not  
5       later than January 1, 2007, the Governor shall submit a report to the  
6       joint standing committees of the General Assembly having cognizance  
7       of matters relating to economic development and government  
8       administration, in accordance with the provisions of section 11-4a of  
9       the general statutes. Said report shall list the contracts under which  
10      state funds are being paid for (1) services performed or goods  
11      manufactured outside Connecticut, and (2) services performed or  
12      goods manufactured outside the United States.

13      Sec. 2. (NEW) (*Effective October 1, 2006*) (a) Each request for  
14      proposals issued by a state agency for a contract for the performance of  
15      services (1) shall require that each proposer submitting a proposal  
16      pursuant to such request disclose the location or locations where the  
17      services under the contract and any subcontract under the contract  
18      would be performed, and (2) may include criteria for the awarding of  
19      the contract that (A) consider the economic impact to Connecticut and

20 residents of the state of the location or locations where services under  
21 the contract would be performed, and (B) all other factors in awarding  
22 the contract being equal, give a higher rating for services performed in  
23 the United States.

24 (b) If a state agency awards a contract for the performance of  
25 services to a proposer based on criteria that the services under the  
26 contract and any subcontract be performed in the United States, such  
27 contract shall (1) require the contractor to notify the state agency if  
28 such contractor or any subcontractor subsequently performs any of the  
29 services under the contract outside the United States, and (2) establish  
30 remedies, which may include liquidated damages, if the contractor  
31 wilfully or intentionally fails to notify the state agency in the event  
32 such contractor or any subcontractor subsequently performs any of the  
33 services under the contract outside the United States and the  
34 performance of such services in the United States was a material  
35 obligation of the contract.

36 Sec. 3. (NEW) (*Effective October 1, 2006*) (a) As used in this section:

37 (1) "State agency" means a department, division, board, commission  
38 or other office in the executive branch of the state government or a  
39 quasi-public agency, as defined in section 1-120 of the general statutes;  
40 and

41 (2) "Privatization contract" means an agreement between a state  
42 agency and a nongovernmental person or entity, in which such person  
43 or entity agrees to provide services having a cost of one hundred  
44 thousand dollars or more over the term of the contract that are  
45 substantially similar to and in lieu of services provided, in whole or  
46 part, by employees of such state agency or by employees of another  
47 state agency for such state agency. The term "privatization contract"  
48 does not include an agreement to provide legal services, litigation  
49 support, investment management services or management consulting  
50 only.

51 (b) Notwithstanding any provision of the general statutes, each  
52 privatization contract to which a state agency is a party shall (1)  
53 require the contractor to agree and warrant that in the performance of  
54 the contract such contractor shall make reasonable efforts to originate  
55 or provide such services at a location or locations in the United States,  
56 and (2) establish remedies, which may include liquidated damages, if  
57 the contractor fails to make reasonable efforts to originate or provide  
58 such services at a location or locations in the United States. If the  
59 contractor breaches the contract by failing to make reasonable efforts  
60 to originate or provide such services at a location or locations in the  
61 United States, the state agency may seek enforcement of such  
62 remedies.

63 Sec. 4. Subsection (c) of section 4a-59 of the general statutes is  
64 repealed and the following is substituted in lieu thereof (*Effective*  
65 *October 1, 2006*):

66 (c) All open market orders or contracts shall be awarded to (1) the  
67 lowest responsible qualified bidder, the qualities of the articles to be  
68 supplied, their conformity with the specifications, their suitability to  
69 the requirements of the state government and the delivery terms being  
70 taken into consideration and, at the discretion of the Commissioner of  
71 Administrative Services, life-cycle costs and trade-in or resale value of  
72 the articles may be considered where it appears to be in the best  
73 interest of the state, (2) the highest scoring bidder in a multiple criteria  
74 bid, in accordance with the criteria set forth in the bid solicitation for  
75 the contract, or (3) the proposer whose proposal is deemed by the  
76 awarding authority to be the most advantageous to the state, in  
77 accordance with the criteria set forth in the request for proposals,  
78 including price and evaluation factors. Notwithstanding any provision  
79 of the general statutes to the contrary, each state agency awarding a  
80 contract through competitive negotiation shall include price as an  
81 explicit factor in the criteria in the request for proposals and for the  
82 contract award. In considering past performance of a bidder for the  
83 purpose of determining the "lowest responsible qualified bidder" or

84 the "highest scoring bidder in a multiple criteria bid", the  
85 commissioner shall evaluate the skill, ability and integrity of the  
86 bidder in terms of the bidder's fulfillment of past contract obligations  
87 and the bidder's experience or lack of experience in delivering  
88 supplies, materials, equipment or contractual services of the size or  
89 amount for which bids have been solicited. In determining the lowest  
90 responsible qualified bidder for the purposes of this section, the  
91 commissioner may give a price preference of up to ten per cent for (A)  
92 the purchase of goods made with recycled materials or the purchase of  
93 recyclable or remanufactured products if the commissioner determines  
94 that such preference would promote recycling or remanufacturing. As  
95 used in this subsection, "recyclable" means able to be collected,  
96 separated or otherwise recovered from the solid waste stream for  
97 reuse, or for use in the manufacture or assembly of another package or  
98 product, by means of a recycling program which is reasonably  
99 available to at least seventy-five per cent of the state's population,  
100 "remanufactured" means restored to its original function and thereby  
101 diverted from the solid waste stream by retaining the bulk of  
102 components that have been used at least once and by replacing  
103 consumable components and "remanufacturing" means any process by  
104 which a product is remanufactured; (B) the purchase of motor vehicles  
105 powered by a clean alternative fuel; or (C) the purchase of motor  
106 vehicles powered by fuel other than a clean alternative fuel and  
107 conversion equipment to convert such motor vehicles allowing the  
108 vehicles to be powered by either the exclusive use of clean alternative  
109 fuel or dual use of a clean alternative fuel and a fuel other than a clean  
110 alternative fuel. As used in this subsection, "clean alternative fuel" shall  
111 mean natural gas or electricity when used as a motor vehicle fuel. All  
112 other factors being equal, (i) preference shall be given to supplies,  
113 materials and equipment produced, assembled or manufactured in the  
114 state and services originating and provided in the state, and (ii) if no  
115 bidder or proposer would produce, assemble or manufacture supplies,  
116 materials and equipment in the state or originate and provide services  
117 in the state, preference shall be given to supplies, materials and  
118 equipment produced, assembled or manufactured in the United States

119 and services originating and provided in the United States. If any such  
 120 bidder refuses to accept, within ten days, a contract awarded to such  
 121 bidder, such contract may be awarded to the next lowest responsible  
 122 qualified bidder or the next highest scoring bidder in a multiple  
 123 criteria bid, whichever is applicable, and so on until such contract is  
 124 awarded and accepted. If any such proposer refuses to accept, within  
 125 ten days, a contract awarded to such proposer, such contract shall be  
 126 awarded to the next most advantageous proposer, and so on until the  
 127 contract is awarded and accepted. There shall be a written evaluation  
 128 made of each bid. This evaluation shall identify the vendors and their  
 129 respective costs and prices, document the reason why any vendor is  
 130 deemed to be nonresponsive and recommend a vendor for award. A  
 131 contract valued at one million dollars or more shall be awarded to a  
 132 bidder other than the lowest responsible qualified bidder or the  
 133 highest scoring bidder in a multiple criteria bid, whichever is  
 134 applicable, only with written approval signed by the Commissioner of  
 135 Administrative Services and by the Comptroller. The commissioner  
 136 shall submit to the joint standing committee of the General Assembly  
 137 having cognizance of matters relating to government administration,  
 138 the State Auditors and the Comptroller, an annual report of all awards  
 139 made pursuant to the provisions of this section.

140 Sec. 5. (NEW) (*Effective October 1, 2006*) There is established within  
 141 the office of the Attorney General, within available appropriations, an  
 142 office that shall be responsible for assisting manufacturers and other  
 143 businesses based in the state in protecting their patents and businesses  
 144 from unfair and illegal competition from businesses based outside the  
 145 United States.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>July 1, 2006</i>	New section
Sec. 2	<i>October 1, 2006</i>	New section
Sec. 3	<i>October 1, 2006</i>	New section
Sec. 4	<i>October 1, 2006</i>	4a-59(c)

Sec. 5	<i>October 1, 2006</i>	New section
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**LAB***Joint Favorable Subst. C/R*

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